



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



FILE COPY

DARLENE GREEN  
Comptroller

*Internal Audit Section*

DR. KENNETH M. STONE, CPA  
Internal Audit Executive

Carnahan Courthouse Building  
1114 Market St., Room 642  
St. Louis, Missouri 63101  
(314) 622-4723  
Fax: (314) 613-3004

July 22, 2010

Brenda Mahr, CEO  
Employment Connection  
2832 Market Street  
St. Louis, MO 63103

RE: Temporary Assistance for Needy Families (TANF) (Project #2010-SLATE3)

Dear Ms. Mahr:

Enclosed is a report of the fiscal monitoring review of Employment Connection, a not-for profit organization, TANF program, for the period July 1, 2009 through March 31, 2010. The scope of a fiscal monitoring review is than an audit, and as such, we do not express an opinion on the financial operations of Employment Connection. Fieldwork was completed on May 26, 2010.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for Professional Practice of Internal Auditing* and through an agreement with the City of St. Louis Agency on Training and Employment (SLATE) to provide fiscal monitoring to all grant subrecipients.

If you have any questions, please contact the Internal Audit Section at (314) 622-4723.

Sincerely,

Dr. Kenneth M. Stone, CPA  
Internal Audit Executive

Enclosure

cc: Michael Holmes Director, SLATE  
Kim Neske, Fiscal Manager, SLATE



# CITY OF ST. LOUIS

**ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT (SLATE)  
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)**

**EMPLOYMENT CONNECTION  
CONTRACT #663-10  
CFDA #93.558**

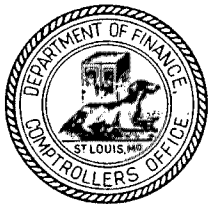
**FISCAL MONITORING REVIEW**

**JULY 1, 2009 THROUGH MARCH 31, 2010**

**PROJECT #2010-SLATE3**

**DATE ISSUED: JULY 22, 2010**

**Prepared by:  
The Internal Audit Section**



## OFFICE OF THE COMPTROLLER

**HONORABLE DARLENE GREEN, COMPTROLLER**

**CITY OF ST. LOUIS**  
**ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT (SLATE)**  
**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)**  
**EMPLOYMENT CONNECTION**  
**FISCAL MONITORING REVIEW**  
**JULY 1, 2009 THROUGH MARCH 31, 2010**

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## **INTRODUCTION**

### **Background**

**Contract Name:** Employment Connection  
**Contract Number:** 663-10  
**CFDA Number:** 93.558  
**Contract Period:** July 1, 2009 through July 22, 2010  
**Contract Amount:** \$315,000

The contract provided Temporary Assistance for Needy Families (TANF) funds to Employment Connection (Agency) to provide case management services for work activities such as interviewing for employment, accepting and maintaining employment.

### **Purpose**

The purpose of the review was to determine the Agency's compliance with federal, state and local St. Louis Agency on Training and Employment (SLATE) requirements for the period July 1, 2009 through March 31, 2010, and make recommendations for improvements as considered necessary.

### **Scope and Methodology**

Inquiries were made regarding the Agency's internal controls relating to the grant administered by SLATE. Evidence was tested supporting the reports the agency submitted to SLATE and other procedures were performed as considered necessary. Fieldwork was completed on May 26, 2010.

### **Exit Conference**

An exit conference was not considered necessary because there were no current observations.

## **SUMMARY OF OBSERVATIONS**

### **Conclusion**

No evidence was found to suggest that the Agency did not fully comply with federal, state and local SLATE requirements.

### **Status of Prior Observations**

The agency did not have a SLATE contract for the prior fiscal year.

### **A-133 Status**

The Agency expended over \$500,000 in federal awards for the year ending December 31, 2008; therefore, the Agency was required to have an A-133 audit.

The report issued an unqualified opinion on the financial statements where no significant deficiencies or material weaknesses were identified.

The report on major programs issued a qualified opinion on the TANF Program, and an unqualified opinion on the Supporting Housing Program (SHP). There were no material weaknesses identified, but there was one significant deficiency related to the TANF Program. The finding for the TANF Program was regarding the eligibility of participating clients. The Agency's Chief Operating Officer stated the finding has been resolved and that client eligibility is maintained in the proper database ("Toolbox") authorized by the State.

The Agency qualified as a low-risk auditee.

The report was reviewed by IAS, and it was noted that the report should not be accepted due to four technical deficiencies identified.

### **Summary of Current Observations**

There were no current observations.